BUYER EXECUTIVE UNDERWRITING BRIEF: ROSELAND APARTMENTS

Property Name: Roseland Apartments | 30 Residential Units | 5811 SE Boise St, Portland, OR 97206

Offering Price: $4,900,000 | **Investment Basis:** True 6.02% Day-1 In-Place Cap Rate | **Year Built:** 2016

1. Executive Summary & Investment Premise

Roseland Apartments represents a rare opportunity to acquire a modern, 2016-built, 30-unit residential community in close-in Southeast Portland. Offered at $4,900,000 ($163,333/unit | $333.24/SF), the acquisition price has been established directly from fully audited, in-place operational cash flow, delivering a true 6.02% Day-1 In-Place Cap Rate.

The asset enters the market 100% physically and economically leased, offering immediate, defensive cash flow with zero deferred capital expenditure requirements. Under prevailing 3-year Interest-Only commercial debt structures (60%-65% LTV), the property generates a 6.06% Day-1 Cash-on-Cash Return, providing strong cash-flow coverage and long-term equity growth potential in a supply-constrained submarket.

Acquisition Parameter	Property Baseline / Investment Metric	Financial Return Metric
Offering Price	$4,900,000	**In-Place Net Operating Income (NOI):** $295,060.00
Total Residential Units	30 Units (100% Occupied)	**Day-1 In-Place Cap Rate:** 6.02%
Gross Building Area (GBA)	14,704 SF (490 SF wtd. avg.)	**Leveraged Day-1 Cash-on-Cash (6% I/O):** 6.06%
Year Built / Zoning	2016 / RM2 Residential Multi-Family	**Price Per Unit / Price Per SF:** $163,333 / $333.24
Parcel ID / Utilities	Parcel #R261184 / Sub-Metered Electric	**Debt Service Coverage Ratio (DSCR):** 1.54x

2. Rent Roll & Unit Mix Summary

Roseland Apartments features an efficient layout of 12 Studio units and 18 One-Bedroom / One-Bathroom units. Rents are collected electronically with consistent lease performance across the roster:

- **Stabilized Operations:** 100% occupied with zero immediate vacancy turn requirements.

- **Ancillary Revenue Streams:** Includes 10 on-site resident storage lockers ($4,200-$4,800/yr gross potential capacity) and an active Utility Pass-Through (RUBS) program generating $27,268/year in direct utility reimbursements.

Unit Type	Unit Count	Square Footage Range	Contracted Rent Range	Total Monthly Base Rent
Studio / 1 Bath	12	356 – 412 SF (405.8 SF avg)	$895 – $1,318 / mo	$13,188.00 / mo
1 Bed / 1 Bath	18	525 – 557 SF (546.3 SF avg)	$1,095 – $1,481 / mo	$23,261.00 / mo
Total / Weighted Average	**30 Units**	**14,704 SF (490 SF avg)**	**$1,214.97 / mo avg.**	**$36,449.00 / mo ($437,388/yr)**

3. Underwriting & Financial Reconciliation

The property's financial profile is presented under two analytical methods: Method 1 reflects annualized trailing 8-month cash collections through August 31, 2026; Method 2 presents the 12-month forward-looking in-place baseline accounting for contracted rent roll income, standard 5% general vacancy, and normalized operating overhead.

Financial Line Item	Method 1: Trailing 8-Mo. Actuals (Ann.)	Method 2: 12-Mo. Forward In-Place Baseline
Gross Scheduled Residential Rent	$440,665.00	$437,388.00
Storage Locker & Miscellaneous Income	$960.00 (Actual Collections)	$4,800.00 (Gross Potential)
Utility Pass-Through Income (RUBS)	$27,268.00	$27,268.00
Gross Potential Income (GPI)	**$468,893.00**	**$469,456.00**
Less: 5% General Vacancy Allowance	(Absorbed in Trailing)	(-$23,473.00)
Effective Gross Income (EGI)	**$468,893.00**	**$445,983.00**
Property Management & Operating Overhead	$93,797.00	$87,910.00
Real Estate Taxes (Multnomah County Actual)	$52,080.00	$52,080.00

Financial Line Item	Method 1: Trailing 8-Mo. Actuals (Ann.)	Method 2: 12-Mo. Forward In-Place Baseline
Property & Liability Insurance (Farmers Renewal)	$10,933.00	$10,933.00
Total Operating Overhead	**$156,810.00**	**$150,923.00**
NET OPERATING INCOME (NOI)	**$312,083.00**	**$295,060.00**

4. Property Overhead & Asset Highlights

- **Modern 2016 Construction:** High-quality recent construction minimizes near-term capital expenditure risks. Features durable exterior finishes, sub-metered electrical panels, and central domestic hot water systems.
- **Real Estate Taxes:** Verified via Multnomah County 2025-2026 property tax statements (Parcel #R261184) at $52,080.00/year.
- **Property Insurance:** Active Farmers Insurance commercial policy locked at $10,933.00/year.
- **Utility Sub-Meter Structure:** Residents pay electric directly via individual utility meters. Water, sewer, and trash are paid by ownership and billed back directly through RUBS pass-through recovery ($27,268/yr).
- **Capital Reserves:** Going-forward expenses include a normalized $500/unit/year ($15,000/yr total) replacement reserve for unit turns and ongoing preventive maintenance.

5. Financing Benchmarks & Leveraged Yield Analysis

Underwriting assumes standard regional commercial mortgage parameters: 65% LTV, 35% Down Payment ($1,715,000 Equity). Buyers can select between standard amortizing debt or interest-only flexibility:

Leveraged Underwriting Metric	Option A: Standard Amortizing (6.50% / 30-Yr Amort)	Option B: Interest-Only Structure (6.00% / 3-Yr I/O)
Acquisition Offering Price	$4,900,000.00	$4,900,000.00
Equity Down Payment (35%)	$1,715,000.00	$1,715,000.00
Senior Loan Amount (65% LTV)	$3,185,000.00	$3,185,000.00
Monthly Debt Service	$20,131.37 / mo	$15,925.00 / mo
Annual Debt Service	$241,576.40 / yr	$191,100.00 / yr

Leveraged Underwriting Metric	Option A: Standard Amortizing (6.50% / 30-Yr Amort)	Option B: Interest-Only Structure (6.00% / 3-Yr I/O)
Net Operating Income (In-Place Baseline)	$295,060.00	$295,060.00
Net Cash Flow After Debt Service	$53,483.60 / yr	$103,960.00 / yr
Day-1 Cash-on-Cash Return	**3.12%**	**6.06%**
Debt Service Coverage Ratio (DSCR)	**1.22x**	**1.54x**

6. Portfolio Acquisition Option & Submittal Guidelines

Roseland Apartments is available as an individual acquisition for **$4,900,000** or as part of a 50-unit close-in Portland portfolio alongside EcoFlats (18 residential units + 2 commercial suites located at 3951 N Williams Ave; target standalone price $4,820,000):

- **Combined Portfolio Offering Price: $9,680,000** *(Reflects a $40,000 combined portfolio discount)*
- **Combined In-Place NOI:** $567,390.12
- **Blended Improved Building Cap Rate:** 5.99%

Terms & Transaction Guidelines: Asset is offered free and clear of existing debt. Complete virtual data room access, historical ledgers, certified rent rolls, and property tours are available upon receipt of an executed Non-Disclosure Agreement (NDA) or Letter of Intent (LOI).

Primary Contact for Offer Submittals & Inquiries:

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